PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2006-92-WS

CAROLINA WATER SERVICE, INC. – APPLICATION FOR ADJUSTMENT OF RATES AND CHARGES FOR THE PROVISION OF WATER AND SEWER SERVICE

Carolina Water Service, Inc. (CWS or the Company) has filed an Application with the Public Service Commission of South Carolina (the Commission) for an adjustment of the Company's rates and charges and modification of certain terms and conditions for the provision of water and sewer service. CWS is a public utility, as defined by S.C. Code Ann. § 58-5-10(3) (Supp. 2005), providing water and sewer service to the public for compensation in certain areas of South Carolina pursuant to rates approved by the Commission in Docket No. 2004-357-WS.

Pursuant to S.C. Code Ann. § 58-5-240 (Supp. 2005) and 26 S.C. Code Ann. Regs. 103-712.4.A and 103-512.4.A (Supp. 2005), the Company requests that the Commission approve an increase in its monthly water and sewer service.

In support of its request for an adjustment in the Company's water and sewer rates, terms and conditions CWS asserts, among other things, that the proposed water and sewer rate increases are necessary in order that it may provide reasonable and adequate service to its customers, comply with standards and regulations set by the Department of Health and Environmental Control and other governmental agencies which regulate the environmental aspect of the Company's business, and earn a reasonable return on its investment and attract capital for future improvements. The Company also asserts that the proposed water and sewer rate increases are necessary to preserve its financial integrity and to permit continued investment in and maintenance of its facilities so as to provide reliable and high quality services.

THE PROPOSED <u>CHANGES</u> IN THE RATES AND CHARGES ARE SET FORTH BELOW (The complete rate schedule is available from the Company at the address below and on the Commission's website at www.psc.sc.gov)

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WATER

Monthly Charges Residential (single family houses, condominium, mobile home,	Current	Proposed
apartment unit)		
Basic Facilities Charge	\$10.25 per unit	\$11.61 per unit
Commodity Charge	\$3.32 per 1,000 gallons or 134 cft	\$3.55 per 1,000 gallons or 134 cft
Commercial Basic Facilities Charge By Meter Size		
5/8" meter 1" meter 1.5" meter 2" meter 3" meter	\$10.25 \$25.62 \$51.25 \$82.00 \$164.00	\$11.61 \$29.02 \$58.04 \$92.86 \$174.12
Commodity Charge	\$256.25 n/a	\$290.20 n/a
Charge for Water Distribution Only Residential		
Basic Facilities Charge Commodity Charge	\$10.25 \$1.90 per 1,000 gallons or 134 cft	\$11.61 \$2.03 per 1,000 gallons or 134 cft
Commercial Basic Facilities Charge By Meter Size		
5/8" meter 1" meter 1.5" meter 2" meter 3" meter	\$10.25 \$25.62 \$51.25 \$82.00 \$164.00	\$11.61 \$29.02 \$58.04 \$92.86 \$174.12
4" meter Commodity Charge:	\$256.25 \$1.90 per 1,000 gallons or 134 cft	\$290.20 \$2.03 per 1,000 gallons or 134 cft

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SEWER

Monthly Charges	Current	Proposed
Residential monthly charge Per single-family house, condominium,		
villa, or apartment unit	\$36.46 per unit	\$42.40 per unit
Mobile Homes – monthly charge	\$26.20 per unit	\$30.47 per unit
Commercial – monthly charge	\$36.46 per SFE	\$42.40 per SFE
Charge for Sewer Collection Only Residential – monthly charge per single-family house, condominium,		
or apartment unit	\$23.47 per unit	\$27.30 per unit
Commercial – monthly charge Per single-family equivalent	\$23.47 per SFE	\$27.30 per SFE
Wholesale Monthly Charge (Midlands Utility)	\$15.00 per SFE	\$17.45 per SFE

A copy of the Company's Application can be obtained from the Commission at the following address: Public Service Commission of South Carolina, Docketing Department, P.O. Drawer 11649, Columbia, South Carolina 29211. Additionally, CWS's Application is available on the Commission's website at www.psc.sc.gov.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Drive, Columbia, S.C. on Thursday, July 20, 2006 and Friday, July 21, 2006 at 10:30 a.m.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, on or before **May 6, 2006,** and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. *Please refer to Docket No. 2006-92-W/S*.

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department in writing at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211 and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P.A., Post Office Box 8416, Columbia, South Carolina 29202-8416 on or before **May 6, 2006**, and indicate the amount of time required for his presentation. *Please refer to Docket No. 2006-92-W/S*.

Any person who wishes to request a hearing in his or her county of residence should notify before June 6, 2006, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211 and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P.A., Post Office Box 8416, Columbia, South Carolina 29202-8416. *Please refer to Docket No.* 2006-92-W/S.

Any person who wishes to be notified of any change in the hearing date, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department in writing at the address below on or before May 6, 2006. Please refer to Docket No. 2006-92-W/S.

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PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding <u>MUST</u> present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina Attn: Docketing Department Post Office Drawer 11649 Columbia, SC 29211

04/06/06

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